Robert J Vanden Bos OSB #78100 Douglas R. Ricks, OSB #044026 Christopher N. Coyle, OSB #07350 VANDEN BOS & CHAPMAN, LLP 319 S.W. Washington, Suite 520 Portland, Oregon 97204

TELEPHONE: (503) 241-4869

FAX: (503) 241-3731

Of Attorneys for Debtor-in-Possession

## IN THE UNITED STATES BANKRUPTCY COURT

# FOR THE DISTRICT OF OREGON

In re	)	Case No. 16-30406-rld11
SeaPort Airli	nes, Inc., ) ) ) ) ) ) ) Debtor-in-Possession.)	MOTION FOR EXPEDITED HEARING ON REDEBTOR'S MOTION TO SUPPLEMENT NUNC PRO TUNC THE INTERIM ORDER REMOTION FOR AN ORDER AUTHORIZING PAYMENT OR HONORING OF PREPETITION OBLIGATIONS TO TICKET HOLDERS, TRAVEL AGENTS AND INTERLINE SALES PARTNERS AND OBLIGATIONS FOR BANK CHARGES ENTERED ON FEBRUARY 5, 2015 (Docket No. 25)

## CERTIFICATION

In compliance with LBR 7007-1(c)(3), Debtor-in-Possession SeaPort Airlines, Inc.'s ("Debtor") attorneys, Douglas R. Ricks ("Counsel"), certifies that he has made a good faith effort to confer with the interested parties regarding the need for an expedited hearing regarding Debtor's Motion to Supplement Nunc Pro Tunc the Interim Order re Motion for an Order Authorizing Payment or Honoring of Prepetition Obligations to Ticket Holders,

Page 1 of 4 - MOTION FOR EXPEDITED HEARING ON RE DEBTOR'S MOTION TO SUPPLEMENT NUNC PRO TUNC THE INTERIM ORDER RE MOTION FOR AN ORDER AUTHORIZING PAYMENT OR HONORING OF PREPETITION OBLIGATIONS TO TICKET HOLDERS, TRAVEL AGENTS AND INTERLINE SALES PARTNERS AND OBLIGATIONS FOR BANK CHARGES ENTERED ON FEBRUARY 5, 2015 (Docket No. 25)

Travel Agents and Interline Sales Partners and Obligations for Bank Charges Entered on February 5, 2015 (Docket No. 25) ("Motion").

Debtor's Counsel conferred with and/or forwarded copies of the above Motion as follows:

- Counsel correspondend with Carla McClurg of the U.S. Trustee's office, by email. Ms. McClurg stated that the U.S. Trustee's office did not oppose an expedited hearing for the above Motion.
  - 2. Copies to the parties listed on the attached **Exhibit A.**

#### MOTION

Pursuant to FRBP 4001(b)(2), 4001(c)(2), and 9014, Debtor, by and through his attorneys, Vanden Bos & Chapman, LLP, moves the Court for the entry of an order setting an expedited hearing to consider entry of an Order regarding the above Motion. An expedited preliminary hearing is necessary for the reasons stated in Debtor's Motion and summarized as follows:

## BACKGROUND

3. Debtor is an Alaska corporation with its principal place of operations in Portland, Oregon that operates a scheduled airline in the United States out of its principal hubs at the Portland International Airport ("PDX") and Memphis International Airport ("MEM"). A regional airline focused on connecting rural communities to the national transportation network, Debtor operates a fleet of five (5) leased aircraft on routes with destinations in El Dorado, Harrison and Hot Springs, Arkansas; Houston, Texas; Memphis, Tennessee; and Pendleton and Portland, Oregon.

Page 2 of 4 - MOTION FOR EXPEDITED HEARING ON RE DEBTOR'S MOTION TO SUPPLEMENT NUNC PRO TUNC THE INTERIM ORDER RE MOTION FOR AN ORDER AUTHORIZING PAYMENT OR HONORING OF PREPETITION OBLIGATIONS TO TICKET HOLDERS, TRAVEL AGENTS AND INTERLINE SALES PARTNERS AND OBLIGATIONS FOR BANK CHARGES ENTERED ON FEBRUARY 5, 2015 (Docket No. 25)

- 4. Due to a change in federal regulations on pilot qualifications, small airlines like Debtor have experienced an extreme attrition in available pilots. As such, Debtor has had to implement a new recruitment and retention plan for its pilots.
- 5. However, the pilot shortage problem was far greater than Debtor could reasonably accommodate and as a result, Debtor had to cancel service to many areas for its survival. Within the last thirty days, Debtor has had to cease flights to Sacramento, Visalia, Burbank, San Diego and Imperial, California, as well as North Bend, Oregon (effective March 20, 2016); Salina and Great Bend, Kansas; Kansas City, Missouri; and San Felipe, Baja California in Mexico.
- 6. As a result of the foregoing events, Debtor has seen a drastic reduction in its revenues and is unable to meet its current liquidity needs. In order to implement its planned reorganization, Debtor requires stability with its current revenue streams and payment systems. For that reason Debtor seeks approval of this Motion.
- 7. In order to maintain stability with its current cash flow and maintain its business relationships, the Debtor must continue to pay its employees, serve its customers and other revenue sources, prevent disruption in its established payment systems, and be able to continue to accept various methods of payment for tickets. The Motion seeks authority authority to supplement the Interim Order Re Motion for an Order Authorizing Payment or Honoring of Prepetition Obligations to Ticket Holders, Travel Agents and Interline Sales Partners and Obligations for Bank Charges Entered on February 5, 2015 (Docket No. 25) to allow Airlines Clearing House, Inc. ("ACH") to continue to process payments and offsets in the ordinary course of business.

Page 3 of 4 - MOTION FOR EXPEDITED HEARING ON RE DEBTOR'S MOTION TO SUPPLEMENT NUNC PRO TUNC THE INTERIM ORDER RE MOTION FOR AN ORDER AUTHORIZING PAYMENT OR HONORING OF PREPETITION OBLIGATIONS TO TICKET HOLDERS, TRAVEL AGENTS AND INTERLINE SALES PARTNERS AND OBLIGATIONS FOR BANK CHARGES ENTERED ON FEBRUARY 5, 2015 (Docket No. 25)

8. Irreparable harm will come to the Debtor if the Motion is not heard and granted on an expedited basis. The Motion ensures that validly payments will continue to be processed and that obligations which arise from the Debtor's various sources of business will continue to be honored in the ordinary course. Without the authority requested in the Motion, the Debtor would lose the goodwill of its customers and ticket sales partners to a fatal degree.

WHEREFORE, Debtor requests the Court set a hearing on Debtor's Motion on an expedited basis.

Respectfully submitted;

VANDEN BOS & CHAPMAN, LLP

By:/s/Douglas R. Ricks
Robert J Vanden Bos, OSB #78100
Douglas R. Ricks, OSB #044026
Christopher N. Coyle, OSB #07350
Of Attorneys for Debtor-in-Possession

# In re SeaPort Airlines, Inc.; Chapter 11 Bankruptcy Case No. 16-30406-rld11

**CERTIFICATE - TRUE COPY** 

DATE: February 9, 2016

DOCUMENT: MOTION FOR EXPEDITED HEARING ON RE DEBTOR'S

MOTION TO SUPPLEMENT NUNC PRO TUNC THE INTERIM

ORDER RE MOTION FOR AN ORDER AUTHORIZING

PAYMENT OR HONORING OF PREPETITION OBLIGATIONS TO TICKET HOLDERS, TRAVEL AGENTS AND INTERLINE SALES PARTNERS AND OBLIGATIONS FOR BANK CHARGES

ENTERED ON FEBRUARY 5, 2015 (Docket No. 25)

I hereby certify that I prepared the foregoing copy of the foregoing named document and have carefully compared the same with the original thereof and it is a correct copy therefrom and of the whole thereof.

## CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing on:

See Attached List.

by mailing a copy of the above-named document to each of them in a sealed envelope, addressed to each of them at his or her last known address. Said envelopes were deposited in the Post Office at Portland, Oregon, on the below date, postage prepaid.

I hereby certify that the foregoing was served on all CM/ECF participants through the Court's Case Management/Electronic Case File system on the date set forth below.

Dated: February 8, 2016

VANDEN BOS & CHAPMAN, LLP

By:/s/Douglas R. Ricks

Robert J Vanden Bos, OSB #78100 Douglas R. Ricks, OSB #044026 Christopher N. Coyle, OSB #07350 Of Attorneys for Debtor-in-Possession In re SeaPort Airlines, Inc.;

Chapter 11 Bankruptcy Case No. 16-30406-rld11

Service List

**First Class Mail:** 

SeaPort Airlines, Inc. Attn: Timothy Sieber 7505 NE Airport Way Portland, OR 97218

**Largest 20 Unsecured Creditors:** 

154 West Aviation Enterprises, Inc. c/o Kirk A. Hoopingarner Attorney Partner Quarles & Brady LLP 300 N LaSalle St, # 4000

Chicago, IL 60654 VIA EMAIL:

Kirk.Hoopingarner@quarles.com

Accounting Principals Attn: Jonathon Schussler 10151 Deerwood Park Blvd Bldg 200 Suite 400

Jacksonville, FL 32256 VIA EMAIL:

Jonathan.Schussler@Adeccona.com

Aero Services Attn: Brooke Walker 1890 Renshaw Way Juneau, AK 99801

**VIA EMAIL:** 

Brooke.Walker@atlanticaviation.com Box 808

Airline Maintenance Service Inc.

Attn: Erick Larson 1 Terminal Way Suite 302 Nashville, TN 37214

VIA EMAIL:

erick.larson@airlinems.com

American Express Attn: Carley Lehr PO Box 53852 Phoenix, AZ 85072

VIA EMAIL: Carley.Lehr@aexp.com

Atlantic Burbank Attn: LaVonne Sears

PO Box 79648

City of Industry, CA 91716

VIA EMAIL:

lavonne.sears@atlanticaviation.com

Aviall Services, Inc. Attn: Allison McCullough P.O. BOX 842267

Dallas, TX 75284 VIA EMAIL:

amccullough@aviall.com

City of Memphis, Treasurer Attn: Angela Washington

Box 185

Memphis, TN 38101

**VIA EMAIL:** 

angelaw@mscaa.com

DASH CA, Inc. Attn: Pat Kerrigan 250 St Andrews Way Lompock, CA 93436

VIA EMAIL:

patkdashca@aol.com

Executive Express Aviation, LLC

Attn: Keith Sisson 43W700 US Highway 30 Sugar Grove, IL 60554

VIA EMAIL:

k.sisson@iflysouthern.com

Hill Fuel LLC Attn: Aldwin Harder

Hoonah, AK 99829

VIA EMAIL:

hillfuel12@gmail.com

Kenyon International Emergency Svcs Inc. Attn: Aldwin Harder 5180 Grand Point Drive Houston, TX 77090

**VIA EMAIL:** 

wbody@pattersonboyd.com

Lane Powell

Attn: David Hosenpud 1420 Fifth Avenue Suite 4200

Seattle, WA 98111

VIA EMAIL:

HosenpudD@LanePowell.com

Memphis Propeller Service, Inc. Attn: Leslie Davis

11098 Willow Ridge Drive Olive Branch, MS 38654

VIA EMAIL:

Leslie@memphispropeller.com

Olson Brooskby PC Attn: Scott Brooksby 200 Pacific Building 520 SW Yamhill Street Portland, OR 97204

VIA EMAIL:

sbrooksby@olsonbrooksby.com

Petro Marine Services/Alaska

Oil Sales

Attn: Aaron Sperbeck, Esq.

Box 396

Skagway, AK 99840

VIA EMAIL: asperbeck@bhb.com

Prime Turbines

Attn: Robert W. Coleman

PO Box 956

Hyannis, MA 02601

**VIA EMAIL:** 

rcoleman@primeturbines.com

Sabre Group, Inc. Attn: Russ Perkins 7285 Collection Center Dr.

Chicago, IL 60693

VIA EMAIL: russ.perkins@sabre.com

Tom's Aircraft Maintenance Attn: Tom Jacobson 2641 E. Spring Street Long Beach, CA 90806

VIA EMAIL: tom@tomsaircraft.com

Travelport, LP

BV c/o Bank of America Lockbox

Attn: Rhonda Shultes PO Box 402395 Atlanta, GA 30384

VIA EMAIL:

Rhonda.Shultes@travelport.com

U.S. Trustee's Office:

Carla McClurg US Trustee's Office

620 SW Main Street, Rm 213 Portland, OR 97205

VIA EMAIL:

Carla.McClurg@usdoj.gov

**Electronic Mail:** 

The foregoing was served on all CM/ECF participants through the Court's Case Management/ Electronic Case File system.